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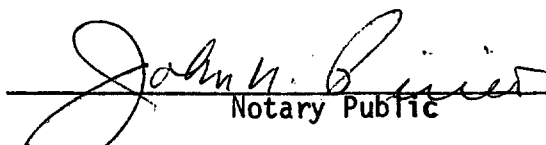
INTERSTATE COMMERCE COMMISSION

CERTIFIED TRUE COPY

Certificate of Notary Public

STATE OF ILLINOIS)
COUNTY OF COOK) SS.

I certify that on December 18, 1972 I compared this copy
with the original document and that it is a true and correct
copy in all respects.



Notary Public
My commission expires: Oct. 26, 1973

(SEAL)

Equipment Lease Agreement

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INTERSTATE COMMERCE COMMISSION

THIRD NATIONAL BANK IN NASHVILLE

Lessor

AND

CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD COMPANY

Lessee

Dated as of December 1, 1972

Filed and recorded with the Interstate Commerce Commission pursuant to Section 20c of the Interstate Commerce Act on
at, Recordation No.

EQUIPMENT LEASE AGREEMENT

THIS EQUIPMENT LEASE AGREEMENT ("Agreement" or "Lease") dated as of December 1, 1972 and made by and between (a) Lessor: THIRD NATIONAL BANK IN NASHVILLE, a national banking association, with its principal offices at the Third National Bank Building, Nashville, Tennessee 37219, and (b) Lessee: CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD COMPANY, a Delaware corporation, with its principal offices at 139 West Van Buren Street, Chicago, Illinois 60605.

Witnesseth:

WHEREAS, Lessor is purchasing concurrently herewith, pursuant to a Purchase Agreement Assignment ("Purchase Agreement Assignment") from Lessee, certain units ("Units") of equipment ("Leased Equipment") described in Schedule A hereto designed to be attached to units of railroad rolling stock to be used in connection with the transportation of automobiles; and

WHEREAS, Lessee is desirous of leasing the Units from Lessor at the rentals and for the terms and upon the conditions hereinafter provided, for the purpose of having such Units attached to units of railroad rolling stock described in Schedule A hereto (the "Cars") owned by Manufacturers Hanover Trust Company, as Trustee (the "Trustee"), under an Equipment Trust Agreement, dated as of July 1, 1972, between the Trustee and Trailer Train Company, a Delaware corporation, provided such Units when attached to such Cars do not become accessions thereto.

WHEREAS, Lessor proposes to borrow certain sums in connection with acquisition of the Units pursuant to a Finance Agreement ("Finance Agreement") dated as of the date hereof between Lessor and National Bank of North America ("Lender") and Lessor proposes to secure its obligations under the Finance Agreement by an assignment ("Lease Assignment") with Lessee's consent thereto ("Lessee's Consent") of its interest in the Lease to the Lender and by a Security Agreement ("Security Agreement") from Owner to Lender granting a security interest in the Units.

Now, THEREFORE, in consideration of the premises and of the rentals to be paid and the covenants hereinafter mentioned to be kept

and performed by the Lessee, the Lessor hereby leases the Units to the Lessee upon the following terms and conditions, namely:

1. LEASED EQUIPMENT:

Lessor hereby agrees to lease to Lessee, and Lessee hereby leases from Lessor, subject to all the terms, conditions and covenants of this Agreement, each of the Units of Leased Equipment set forth in Schedule A hereto; *provided however* that Lessor shall have no obligations hereunder unless it shall have received the loan as provided in § 1 of, and subject to the terms and conditions of, the Finance Agreement.

2. TERM OF AGREEMENT AND ACCEPTANCE:

(a) *Term.* The term of this Agreement shall commence on the date of installation of the first Unit delivered to Lessee pursuant to Section 2(b) hereof and shall remain in full force and effect until the last Rental Payment Date as provided in Schedule B hereto, unless sooner terminated pursuant to Sections 2(c) or 10(b) hereof.

(b) *Delivery and Acceptance.* Lessor agrees to cause each Unit to be delivered to Lessee for installation on the Cars as specified in Schedule A hereto pursuant to a purchase agreement ("Purchase Agreement") as specified in Schedule A hereto and assigned to Lessor by a Purchase Agreement Assignment from Lessee. Within 5 days ("Date of Acceptance") after delivery ("Date of Delivery") of each Unit, Lessee agrees to acknowledge such delivery and to accept such Unit, provided such Unit conforms to the specifications with respect thereto, and further agrees that such Unit as so accepted shall be covered by this Agreement. The aforesaid delivery and acceptance shall be conclusively evidenced by the execution and delivery by Lessor and Lessee of a Certificate of Delivery and Acceptance of each Unit. In no event, however, shall the Date of Acceptance of any Unit occur after February 15, 1973.

(c) *Termination.* Lessee shall have the right at its option, provided that no Event of Default (as defined in Section 17 hereof) shall have occurred and be continuing, upon not less than ninety (90) days prior written notice to Lessor and Lender thereof, to terminate this Lease with respect to all (but not less than all) of the Units then

subject to this Lease, such termination to be effective on the Rental Payment Date shown on Schedule B annexed hereto ("Rental Payment Date") next following the expiration of the 90-day notice period (the "Termination Date"). During the period from the giving of such notice until the Termination Date, Lessor and Lessee shall each use its best efforts to obtain bids for the purchase of the Units. Lessor, on the Termination Date, shall sell the Units, against receipt in cash of the full amount of the purchase price, to the bidder submitting the highest bid and shall transfer to such purchaser all of Lessor's right, title, and interest in and to the Units. Lessor shall certify in writing to Lessee (i) the amount of such total sale price, (ii) the expenses incurred by Lessor in connection with such sale, and (iii) that such total sale price represents the highest bid received by Lessor for the purchase of the Units. The total sale price realized at such sale shall be retained by Lessor and, in addition, on the Termination Date, Lessee shall pay to Lessor the amount, if any, by which the Termination Value of the Units payable under this Section 2(c), computed as of the Termination Date, exceeds such sale price, after deducting from such sale price any reasonable expenses incurred by Lessor in selling the Units; whereupon the obligation of Lessee for all Basic Rent accruing hereunder with respect to the Units due and payable on or after, but not before the Termination Date, shall cease. In the event no such sale takes place, Lessee shall pay to Lessor the Termination Value of the Units payable under this Section 2(c), computed as of the Termination Date, whereupon the obligation of Lessee for all Basic Rent accruing hereunder with respect to the Units due and payable on or after, but not before, the Termination Date, shall cease, except for such obligations which, by the terms hereof, expressly survive the termination of this Lease. Such payment shall be against delivery of a bill of sale transferring and assigning to Lessee all right, title and interest of Lessor in and to the Units and containing a warranty against liens or claims of persons claiming by, through or under Lessor except liens and claims which Lessee assumes or is obligated to discharge under the terms of this Lease. The "Termination Value" in respect of such Units shall be a sum equal to the results obtained by multiplying the Termina-

tion Factor shown on Schedule B annexed hereto with respect to the applicable Rental Payment Date by Lessor's Cost (as defined in Section 3(c) hereof) for such Units. Anything herein to the contrary notwithstanding, payments required to be made pursuant to this Section 2(c) shall at no time be less than the then unpaid principal amount of the Note ("Note") issued in accordance with the Finance Agreement together with unpaid interest thereon to the date of such payment and this Lease shall not terminate and the obligation of Lessee for Basic Rent accruing hereunder with respect to the Units due and payable on or after the Termination Date shall not cease until the payments required to be made pursuant to this Section 2(c) have been actually received by the Lender.

3. PAYMENTS OF RENT:

(a) *Basic Rent.* Lessee hereby agrees to pay Lessor rent for the Leased Equipment on each Rental Payment Date in an amount equal to the result obtained by multiplying the Lessor's Cost (as defined in paragraph (c) hereof) for the Leased Equipment by 5.71038% ("Basic Rent").

(b) *Supplemental Rent.* Lessee also agrees to pay to Lessor or its assigns, or to whomsoever shall be entitled thereto, any and all amounts, liabilities and obligations which Lessee assumes or agrees to pay hereunder to Lessor, or others, including, without limitation, any Termination Value, amounts payable with respect to the indemnities for taxes provided in Section 12 hereof and the Casualty Loss Value provided for in Section 10 hereof ("Supplemental Rent"), promptly as the same shall become due and owing. Lessee will also pay to Lessor on demand, as Supplemental Rent, to the extent permitted by applicable law, interest at the rate of 10% per annum (computed on the basis of a 360-day year) on any part of any installment of Basic Rent not paid when due for any period for which the same shall be overdue and on any payment of Supplemental Rent not paid when demanded by Lessor for the period until the same shall be paid. In the event of any failure on the part of Lessee to pay any Supplemental Rent, Lessor or its assigns shall have all rights, powers and remedies provided for herein or by law or equity or otherwise as in the case of nonpayment of Basic Rent.

(c) *Lessor's Cost.* "Lessor's Cost" for each Unit shall mean the actual cost thereof (including freight and other charges, if any, payable by the Lessor and any applicable state and local sales and use taxes) as specified in the invoice of the Manufacturer specified in Schedule A hereto and covering such Unit. Lessor's Cost with respect to the Leased Equipment shall be the sum of the amounts of Lessor's Cost with respect to all the Units of Leased Equipment, which shall in no event exceed the aggregate cost as set forth in Schedule A hereto.

(d) *Obligation to Pay Rent.* Lessee's obligation to pay all Basic Rent and Supplemental Rent payable hereunder shall be absolute and unconditional and shall not be affected by any circumstance, including, without limitation, (i) any set-off, counterclaim, recoupment, deduction, defense, abatement, suspension, reduction or other right which Lessee may have against Lessor, the manufacturer of the Leased Equipment, or anyone else for any reason whatsoever, (ii) any defect in the title, merchantability, compliance with specifications, condition, design, operation or fitness of, or any damage to or loss or destruction of, the Leased Equipment, (iii) any interruption or cessation in the use or possession of the Leased Equipment by Lessee for any reason whatsoever, (iv) any insolvency, bankruptcy, reorganization or similar proceeding by or against Lessee, (v) the invalidity or unenforceability of this Agreement or any provision hereof because of any reason whatsoever or (vi) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing. If for any reason whatsoever (other than pursuant to Sections 2(c) and 10(b) hereof) this Agreement shall be terminated in whole or in part by operation of law or otherwise except as specifically provided herein, Lessee nonetheless agrees to pay to Lessor an amount equal to each Basic Rent payment at the time such payment would have become due and payable in accordance with the terms hereof had this Lease not been terminated in whole or in part. Lessee hereby waives, to the extent permitted by applicable law, any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender this Agreement except in accordance with the express terms hereof. Each payment of Basic Rent or Supplemental Rent made by Lessee shall be

final and Lessee will not seek to recover all or any part of such payment from Lessor or any other person for any reason whatsoever.

(e) *Minimum Rent.* Lessee agrees that anything herein to the contrary notwithstanding, each payment of Basic Rent shall not be less than each level payment of interest and principal on the respective Rental Payment Date on the Note.

4. PURCHASE/LEASE OPTION :

Lessee shall be entitled at the end of the term of this Agreement, provided that Lessee is not then in default as provided in Section 17 of this Agreement, to purchase the Leased Equipment or any Unit at the fair market value thereof or to lease the Leased Equipment or any Unit for a term or terms satisfactory to both Lessor and Lessee and for a rental equal to the fair market rental value thereof, and otherwise with the same provisions, conditions and covenants as provided herein. Lessee and Lessor agree to negotiate in good faith the fair market value or fair market rental value, as the case may be, and, in the event such agreement cannot be reached on or before 120 days prior to the end of the term of this Agreement, shall submit the question of value to independent appraisers in the manner specified in the last paragraph of Section 17 hereof which determination shall be made no later than 60 days prior to the end of the term of this Agreement. Upon such determination of such independent appraisers, as aforesaid, Lessee may at its option withdraw and rescind its election to purchase or lease the Leased Equipment at the end of the term of this Agreement without further liability to Lessor. In the event Lessee exercises its option to purchase the Leased Equipment, upon payment of the purchase price as provided herein Lessor shall deliver to Lessee a bill of sale transferring and assigning to Lessee all right, title and interest of Lessor in and to the Units, which bill of sale shall contain a warranty against liens or claims of persons claiming by or under Lessor except liens and claims which Lessee assumes or is obligated to discharge under the terms of this Lease.

5. USE OF EQUIPMENT: IDENTIFICATION MARKS:

(a) Lessee shall be entitled to the unlimited and exclusive use of the Leased Equipment throughout the term of this Agreement without

limitations as to time and without additional charge except as provided herein, provided that such use shall be in conformity with all other provisions, conditions, and covenants of this Agreement.

(b) Upon or before the delivery to the Lessee of each of the Units, there shall be plainly, distinctly, permanently and conspicuously marked upon each side of such Unit the following words in letters not less than one inch in height:

"THIRD NATIONAL BANK IN NASHVILLE, OWNER, LESSOR"

If during the continuance of this Agreement any such mark shall at any time be removed, defaced or destroyed on any Unit, the Lessee shall immediately cause the same to be restored or replaced. The Lessee shall not allow the name of any person, association or corporation to be placed on any of the Units as a designation which might be interpreted as indicating a claim of ownership thereof by any person, association or corporation other than the Lessor; provided, however, that the Lessee may letter the Units with the names or initials or other insignia customarily used by the Lessee on its railroad units for convenience of identification of the right of the Lessee to use the Units under this Lease.

6. LOCATION:

Lessee agrees that the Leased Equipment shall not be removed from the cars as described in Schedule A hereto without in each instance serving upon Lessor and Lender a written notice of intention to remove which specifies the new location at least sixty (60) days prior thereto together with an opinion of counsel acceptable to Lessor and Lender that any security interest in the Leased Equipment held by Lessor or Lender shall not be impaired by reason of such removal. Lessee further covenants and agrees that any expenses in connection with such removals of equipment, to include but not be limited to transportation, rigging, drayage and insurance charges, shall be paid by Lessee.

7. LESSEE'S REPRESENTATIONS AND WARRANTIES:

Lessee represents and warrants for the benefit of Lessor and the Lender (all such representations and warranties being continuing) that:

(a) The Lessee is a duly organized and existing corporation in good standing under the laws of the State of Delaware, and has the power and authority to own or lease its properties and to carry on its business as now conducted and as contemplated hereby;

(b) There is no condition, restriction or requirement in the corporate charter of the Lessee, or in any indenture, agreement or other instrument to which the Lessee is a party, relating to or affecting the execution and delivery by the Lessee of this Agreement, the Purchase Agreement Assignment and the Lessee's Consent to the Lease Assignment or the enforceability of any thereof in accordance with their respective terms or requiring approval of stockholders with respect thereto;

(c) This Agreement, the Purchase Agreement Assignment and the Lessee's Consent to the Lease Assignment have each been duly authorized, executed and delivered by the Lessee and are the legal, valid and binding obligations of the Lessee, enforceable in accordance with their respective terms;

(d) No approval of the Interstate Commerce Commission or any other governmental authority is necessary for the execution and delivery by the Lessee of this Agreement, the Purchase Agreement Assignment and the Lessee's Consent to the Lease Assignment;

(e) There are no suits or proceedings pending or, to the knowledge of Lessee, threatened in any court or before any regulatory commission, board or other administrative governmental agency against or affecting Lessee, which will have a material adverse effect on the ability of Lessee to fulfill its obligations under this Agreement except as theretofore disclosed in writing to Lessor and Lender;

(f) The Units are new and no part of any Unit has been put into use or operation prior to the execution and delivery of this Lease or prior to the date of the delivery and acceptance of such Unit by Lessee hereunder, other than usual testing by the Manufacturer or Lessee of such Unit; and

(g) Title to the Leased Equipment is validly vested in Lessor, free of all claims, liens and encumbrances by or in favor of any person (other than the rights of Lessee under the Lease and of Lender under the Security Agreement) including without limitation any person claim-

ing through any owner or lessee of the railroad flatcars upon the Leased Equipment may be attached or affixed as described in Schedule A hereto.

8. MAINTENANCE: ALTERATIONS AND ATTACHMENTS:

(a) Lessee shall, at its own cost and expense, keep the Leased Equipment in good and efficient working order and condition, reasonable wear and tear alone excepted, replacing all broken, damaged or missing parts in the Leased Equipment as may be required from time to time. At the termination of this Agreement the Leased Equipment must be in the same operating order, repair, condition and appearance as at the effective date hereof, ordinary wear and tear excepted. Lessor, its agents and employees, shall, at all reasonable times, have the right of free access to Lessee's premises where the Leased Equipment is installed for the purpose of inspecting such equipment and observing its use and operation and for the purpose of maintenance and repair when required and not performed by Lessee. In the event Lessee fails or is unable to perform maintenance and repairs as provided herein, Lessor shall have the right, but not the obligation, to perform the same, and Lessee shall forthwith pay to Lessor, as Supplemental Rent, all cost and expense incurred by Lessor in performing the same.

(b) Upon written approval by the Lessor, Lessee shall be permitted to alter or make additions to the Leased Equipment if such alteration or addition does not interfere with the normal and satisfactory operation and maintenance thereof and does not impair the value thereof.

9. TITLE; FURTHER ASSURANCES:

The parties agree that this is an agreement of lease only and nothing herein contained shall be construed as conveying to Lessee any right, title or interest in or to the Leased Equipment except as a lessee. All of the Leased Equipment shall remain personal property regardless of the degree or manner of its attachment to realty and title thereto shall remain exclusively in Lessor. Lessor shall have the right to affix appropriate indicia of ownership to the Leased Equipment, and Lessee shall not remove or alter any such indicia attached. Lessee shall keep all of the Leased Equipment free from any and all liens, encumbrances and claims, as required by Section 14, and shall not do or permit any act or thing whereby Lessor's title or rights may be

encumbered or impaired. Lessee will file at its expense and with the proper filing or recording offices any papers or documents which Lessor or Lender deems necessary or appropriate for the protection of their respective interests hereunder and in the Leased Equipment and Lessee further agrees to execute and deliver to Lessor or Lender upon its request, any and all further documents and instruments which Lessor or Lender may reasonably require to perfect and confirm their respective interests in and to the Leased Equipment. Lessee further agrees to pay all costs and expenses and to reimburse Lessor for all costs and expenses which are incurred by Lessor in the performance of its obligations under Sections 3 and 13 of the Security Agreement.

10. RISK OF LOSS AND PAYMENT OF CASUALTY LOSS VALUE:

(a) During the term of this Agreement and for so long thereafter as the Leased Equipment remains in possession of Lessee, Lessee shall bear all responsibility for loss or damage to the Leased Equipment. Lessee agrees to indemnify and hold Lessor harmless against loss or damage caused by fire, lightning, sprinkler leakage, tornadoes and wind storm, water damage, explosion, earthquake, smoke and smudge, aircraft and motor vehicle damage, strikes, riots and civil commotion, vandalism, malicious mischief, burglary and theft, and all other risks customarily insured against in the case of property similar to the Leased Equipment.

(b) The parties agree that, if any Unit shall be or become worn out, lost, stolen, destroyed, irreparably damaged or otherwise rendered permanently unfit (such occurrences being hereinafter called "Casualty Occurrences") prior to the actual redelivery of the same to Lessor, a sum equal to the result obtained by multiplying the Lessor's Cost with respect to each such Unit by the Casualty Factor set forth on Schedule B hereto in respect of the next Rental Payment Date to occur after Lessee has knowledge such Casualty Occurrence has occurred ("Casualty Loss Value") shall be paid to Lessor on such Rental Payment Date plus the payment of all Basic Rent and Supplemental Rent due on such Rental Payment Date. Upon the making of such payment by Lessee in respect of any Unit, Basic Rent for such Unit shall cease to accrue as of the date of such payment, the term of this Agreement as to such Unit shall terminate, the Lessee shall be entitled to recover

possession of such Unit and the Lessor shall, upon the request of Lessee, execute and deliver to or upon the order of the Lessee a bill of sale (without warranties) for such Unit. Anything herein to the contrary notwithstanding, Casualty Loss Value for any Unit shall not be less than the unpaid principal amount of and interest on the Note which is equal to the percentage that the amount borrowed to finance such Unit was of the original principal amount of the Note.

11. **GUARANTEES AND WARRANTIES:**

NEITHER LESSOR NOR LENDER SHALL BE DEEMED TO HAVE MADE OR GIVEN AND THEY HEREBY EXPRESSLY DISCLAIM ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE TITLE, VALUE, CONDITION, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS FOR USE OF ANY UNIT OR AS TO ITS TITLE THERETO, OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO SUCH UNIT, except that Lessor hereby warrants that on the Delivery Date for each Unit Lessor shall have received whatever title was conveyed to it by the Manufacturer thereof and that each Unit shall be free of liens and encumbrances which may result from claims against Lessor not arising in connection with the ownership of the Units. Lessee agrees that the only guarantees or warranties made with respect to the Leased Equipment are those made by the Manufacturer thereof and the parties agree that they shall cooperate in enforcing such guarantees and warranties when such action is necessary. Lessor hereby assigns to Lessee, for and during the term of this Agreement, any applicable factory warranty issued on or applicable to any of the Leased Equipment, and hereby authorizes Lessee during the term of this Agreement to obtain the customary service furnished in connection therewith by the Manufacturer.

12. **TAXES:**

(a) *Property taxes, etc.* Lessee agrees to pay, and to indemnify and hold Lessor harmless from all licenses and registration fees and all taxes, including without limitation, income, franchise, sales, use, personal property, stamp and interest equalization taxes, financing statement taxes, levies, imposts, duties, charges or withholdings of any

nature whatsoever, together with any penalties, fines or interest thereon imposed against Lessor or its assigns by any Federal, state or local government or taxing authority or any subdivision thereof (i) upon or with respect to the Leased Equipment, or (ii) upon the purchase, ownership, delivery, leasing, possession, use, operation, return or other disposition thereof, or (iii) upon the rentals, receipts, or earnings arising therefrom, or (iv) upon the income or other proceeds received with respect thereto, or (v) upon or with respect to this Agreement unless, and to the extent only that and only so long as, any such fee, tax or other charge is being contested by Lessee in good faith (and for the payment of which adequate reserves have been provided) and by appropriate proceedings so long as such proceedings do not involve any danger of the sale, forfeiture or loss of the Leased Equipment or any part thereof; provided that this paragraph (a) shall not apply to (1) fees, taxes and other charges on, based on, or measured by, the net income of Lessor or its assigns, (2) fees, taxes and other charges on, based on, or measured by the fees or compensation received by Lessor or its assigns for services rendered in connection with the transactions contemplated hereby, or (3) taxes included in Lessor's Cost of the Leased Equipment.

(b) *Indemnity for Loss of Investment Credit.* If Lessor shall lose the benefit of any portion of the investment credit allowed by Section 38 of the Internal Revenue Code of 1954 as in effect on the date of this Agreement for "new section 38 property" with respect to Lessor's Cost for any Unit (including, without limitation, loss of the benefit of such investment credit because Lessor shall not be entitled to such investment credit or because such investment credit shall not be allowed or because the Federal income tax liability of Lessor shall be increased pursuant to Section 47 of such Code as amended) under any circumstances or for any reason whatsoever (including, without limitation (x) the occurrence of a change in or modification of law, including without limitation any change in or modification of applicable Treasury Regulations or (y) the Leased Equipment at any time not being treated as "new section 38 property" within the meaning of Section 48(b) of such Code as in effect on the date of this Agreement, the Lessee shall pay the Lessor or its assigns, as Supplemental Rent under this Agree-

ment and in satisfaction of its obligation to Lessor under this Section 12(b) in respect of such loss, the amounts provided in Section 12(d); *provided* that the Lessee shall not be required to make such payments if such loss results because of the occurrence of any of the following events:

(i) a voluntary transfer by Lessor of legal title to the Leased Equipment to anyone, or a voluntary disposition by Lessor of any interest in the Leased Equipment, if such transfer or disposal by Lessor shall be the direct cause of such loss, except as contemplated by this Agreement;

(ii) the failure of Lessor to have sufficient liability for tax within the meaning of Section 46 of the Internal Revenue Code of 1954, as amended, against which to credit such investment credit for the Leased Equipment;

(iii) the failure of Lessor to properly and timely claim such investment credit for the Leased Equipment in its income tax return for the appropriate year or to follow the proper procedure in claiming such investment credit in such tax return for such year;

(iv) the failure of Lessor to take proper and timely action in contesting a claim made by the Internal Revenue Service with respect to the loss of such investment credit for the Leased Equipment; or

(v) Lessee shall have paid the Termination Value provided for in Section 2(c) or the Casualty Loss Value provided for in Section 10(b) hereof.

(c) *Indemnity for Failure to Obtain Accelerated Depreciation or Interest Deductions.* If Lessor, in computing its Federal taxable income for any part of the term of this Agreement, shall lose the benefit of any portion of depreciation deductions computed under the double declining balance method or the sum of the years-digits method or such other method described or referred to in Section 167(b) of the Internal Revenue Code of 1954, as amended to the date hereof, over a depreciable life of five years and to a net salvage value of 5% of Lessor's cost or shall lose the benefit of any portion of its proportionate share of interest deductions with respect to amounts paid or accrued as interest on the Notes

under any circumstances or for any reason whatsoever (including, but not limited to (x) the occurrence of a change in or modification of law, including without limitation any change in or modification of applicable Treasury Regulations, or (y) the "original use" of the Leased Equipment not being treated as having commenced with Lessor within the meaning of Section 167(c)(2) of the Internal Revenue Code of 1954, or (z) the Leased Equipment not being held to constitute "eligible property" included in the election made by Lessor for the taxable year during which the Leased Equipment is accepted) the Lessee shall pay the Lessor, as Supplemental Rent under this Agreement the amounts as provided in paragraph (d) of this Section 12; *provided* that Lessee shall not be required to make such payments if such loss results because of the occurrence of any of the events set forth in subparagraphs (i) or (v) of Section 12(b) of this Agreement or of any of the following events:

(i) The failure of Lessor to have sufficient income to benefit from the depreciation or interest deduction;

(ii) The failure of Lessor to properly and timely claim such depreciation or interest deduction in its income tax return for the appropriate year or to follow the proper procedure in claiming such depreciation or interest deduction in such tax return for such year;

(iii) The failure of Lessor to take proper and timely action in contesting a claim made by the Internal Revenue Service with respect to the disallowance of such depreciation or interest deduction.

(d) *Calculation of Certain Supplemental Rent Payments.* In the event that Supplemental Rent shall become payable pursuant to Section 12(b) or 12(c), the "Aggregate Amount" of such Supplemental Rent shall be paid in equal installments on each of the remaining Rental Payment Dates during the remainder of the term of this Agreement. The term "Aggregate Amount" of such Supplemental Rent to be paid pursuant to the preceding sentence shall mean that additional sum of money which is necessary to permit Lessor to receive (on an after-tax basis over the entire term of this Agreement) the same rate of return that Lessor would have realized (on an after-tax basis over the entire

Lessee has had notice, that may reasonably subject the Leased Equipment to the hazard of seizure or lien;

(b) Of any claim, demand, action or dispute that involves the rights of Lessor or Lessee hereunder, or that involves the interpretation of any of the provisions of this Agreement that may directly or indirectly affect the tax or other liability or rights of either Lessor or Lessee; and if any litigation, suit or action is begun by or against Lessee relating to this Agreement or the Leased Equipment, Lessor shall have the right, but not the obligation, to intervene in said litigation, suit or action at its own expense, and assist in the prosecution or defense of same; and

(c) Within ten (10) days from date thereof, of any accident in which the Leased Equipment is directly or indirectly involved and/or any claim or demand arising from such accident. Lessee further agrees to assume full liability of Lessor, if any, in the event of failure to give notice as aforesaid.

All notices required under this Agreement shall be given not later than the date required hereunder and shall be deemed to have been duly given when signed by an officer and either delivered to an office of Lessor or Lessee, as the case may be, or mailed by first class, certified return receipt requested, prepaid, United States mail and addressed to Lessor or Lessee, as the case may be, at the address indicated herein or to such other address as either party may designate pursuant hereto.

16. TERMINATION :

Lessee shall, upon termination of this Agreement, by expiration thereof or on account of default, forthwith deliver all of the Leased Equipment to Lessor F.O.B. a point upon Lessee's line of railroad to be designated by Lessor in writing, packed and crated for a method of shipment which shall be consistent with the nature of the Leased Equipment and hazards of transportation. Packing crates for the return of the Leased Equipment shall be supplied and paid for by Lessee. Lessee shall furnish, at its sole cost and expense, such labor as may be necessary for the crating and packing of the Leased Equipment.

term of this Agreement) had the tax benefits enumerated in either or both of Sections 12(b) and 12(c) not been lost. The Aggregate Amount shall be determined by an independent certified public accountant mutually acceptable to both Lessor and Lessee.

13. INSURANCE:

Lessee will at all times during the term of this Agreement cause to be carried and maintained on the Leased Equipment, at its own cost and expense, insurance in such amounts, against such risks, in such form and with such insurance companies, underwriters or funds as Lessee would, in the prudent management of its properties, maintain with respect to similar equipment owned by it.

14. LIENS, ENCUMBRANCES AND RIGHTS OF OTHERS:

Lessee will not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, attachment, charge, encumbrance or right of others whatsoever on or with respect to any Leased Equipment, title thereto or any interest therein, except (i) the respective rights of Lessor and Lessee as herein provided, (ii) liens or encumbrances which result from claims against Lessor not related to the ownership of the Leased Equipment, (iii) liens for taxes either not yet due or being contested in good faith and by appropriate proceedings, and (iv) inchoate materialmen's, mechanics', workmen's, repairmen's or employees' liens or other like liens arising in the ordinary course of business and securing obligations which are not delinquent. Lessee will promptly notify Lessor in writing and will promptly, at Lessee's expense, cause any such mortgage, pledge, lien, attachment, charge, encumbrance or right of others not excepted above which may arise at any time to be duly discharged, dismissed and removed as soon as possible, but in any event within 30 days after the existence of the same shall have first become known to Lessee.

15. NOTICES:

Lessee shall promptly notify Lessor in writing:

(a) Of the amount of any delinquent taxes assessed or charged to Lessor or Lessee under any law now or hereafter in force, of which

17. DEFAULT:

The following events shall constitute events of default ("Events of Default") hereunder: (i) Lessee shall fail to make any payment of Basic Rent or Supplemental Rent within 10 days after the same shall become due; or (ii) Lessee shall fail to make any other payment or perform or observe any other covenant, condition or agreement to be performed or observed by it hereunder and such failure shall continue unremedied for a period of 20 days after written notice thereof by Lessor; or (iii) any representation or warranty made by Lessee herein or in any document or certificate furnished Lessor in connection herewith or pursuant hereto shall prove to be incorrect at any time in any material respect; or (iv) Lessee shall become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver; or (v) a trustee or a receiver shall be appointed for Lessee or for a substantial part of its property without its consent and shall not be dismissed for a period of 30 days; or (vi) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against Lessee and, if instituted against Lessee, shall not be dismissed for a period of 30 days. Upon the occurrence of any Event of Default and at any time thereafter so long as the same shall be continuing, Lessor may, at its option, declare this Agreement to be in default, and at any time thereafter, so long as Lessee shall not have remedied all outstanding Events of Default, Lessor may do one or more of the following with respect to any or all Leased Equipment as Lessor in its sole discretion shall elect, to the extent permitted by, and subject to compliance with, any mandatory requirements of applicable law then in effect:

(a) cause Lessee, upon the written demand of Lessor and at Lessee's expense, to promptly return any or all Leased Equipment to Lessor at the location, in the condition and otherwise in accordance with all of the terms of Sections 8 and 16 hereof, or Lessor, at its option, may enter upon the premises where such Leased Equipment is located and take immediate possession of and remove such Leased Equipment by summary proceedings or otherwise, all without liability to Lessor for or by reason of such entry or taking of

possession, whether for the restoration of damage to property caused by such taking or otherwise;

(b) sell any or all of the Leased Equipment at public or private sale and with or without notice to Lessee or advertisement, as Lessor may determine, or otherwise dispose of, hold, use, operate, lease to others or keep idle any or all of the Leased Equipment as Lessor in its sole discretion may determine, all free and clear of any rights of Lessee and without any duty to account to Lessee with respect to such action or inaction or for any proceeds with respect thereto except to the extent required by paragraph (d) below in the event Lessor elects to exercise its rights under paragraph (d) in lieu of its rights under paragraph (c) below;

(c) whether or not Lessor shall have exercised, or shall thereafter at any time exercise, any of its rights under paragraph (a) or paragraph (b) above, Lessor, by written notice to Lessee specifying a payment date not earlier than 15 days from the date of such notice, may cause Lessee to pay to Lessor, on the date specified in such notice, as liquidated damages for loss of a bargain and not as a penalty, any unpaid Basic Rent and Supplemental Rent due up to but not including the Rental Payment Date under Schedule B (or the date which would have been such Rental Payment Date but for the termination of this Agreement) next following the date specified in such notice plus whichever of the following amounts Lessor, in its sole discretion, shall specify in such notice (together with interest on such amount at the rate of 10% per annum from the date specified in such notice to the date of actual payment):

- (i) an amount equal to the aggregate Casualty Loss Value of all such Leased Equipment under lease immediately prior to the date specified in such notice, computed as of such Rental Payment Date next following the date specified in such notice;
- (ii) an amount equal to the excess, if any, of the amount referred to in clause (i) above over the aggregate fair market rental value (computed as hereafter in this Section provided) of such Leased Equipment for the remainder of the lease term of such Equipment hereunder, after discounting such fair market rental value on such periodic basis as the rent is payable hereunder to present worth as of such

Rental Payment Date specified in such notice at the rate of 6% per annum; or (iii) an amount equal to the excess, if any, of the amount referred to in clause (i) above over the aggregate fair market sales value of such Leased Equipment (computed as hereafter in this Section provided) as of such Rental Payment Date next following the date specified in such notice; *provided, however,* that Lessor shall only be entitled without deduction to the amount referred to in clause (i) above for any Leased Equipment if either (A) nonpayment of rent by Lessee shall have been the Event of Default causing this Agreement to be declared in default or (B) regardless of the Event of Default, Lessor shall have demanded the return of the Leased Equipment pursuant to paragraph (a) above and Lessee shall have failed to return the Leased Equipment in accordance with the terms of said paragraph;

(d) in the event Lessor, pursuant to paragraph (b) above, shall have sold any or all of the Leased Equipment, Lessor, in lieu of exercising its rights under paragraph (c) above with respect to such Leased Equipment, may, if it shall so elect, cause Lessee to pay Lessor, as liquidated damages for loss of a bargain and not as a penalty, any unpaid Basic Rent or Supplemental Rent due up to but not including the Rental Payment Date (or the date which would have been such Rental Payment Date but for the termination of this Agreement) next following the date of such sale plus the amount of any deficiency between the net proceeds of such sale and the Casualty Loss Value of such Leased Equipment computed as of such Rental Payment Date, together with interest at the rate of 10% per annum on the amount of such deficiency from the date of such sale until the date of actual payment; and/or

(e) Lessor may exercise any other right or remedy which may be available to it under applicable law or proceed by appropriate court action to enforce the terms hereof or to recover damages for the breach hereof or to rescind this Agreement as to any or all Leased Equipment.

In addition, Lessee shall be liable for any and all unpaid Supplemental Rent due hereunder before, after or during the exercise of any

of the foregoing remedies and for all legal fees and other costs and expenses incurred by reason of the occurrence of any Event of Default or the exercise of Lessor's remedies with respect thereto, including all costs and expenses incurred in connection with the return of any Leased Equipment in accordance with the terms hereof or in placing such Leased Equipment in the condition required.

For the purpose of paragraph (c) above, the "fair market rental value" or the "fair market sales value" of any Leased Equipment shall be determined by the average of two appraisals, both by recognized independent appraisers, one of which appraisers shall be chosen by Lessor and one by Lessee, except that such "fair market rental value" or "fair market sales value" shall be determined by the appraiser chosen by Lessor if Lessee fails to furnish the appraisal of the appraiser selected by it within 10 days after the giving of the written notice from Lessor referred to in paragraph (c) above. At any sale of Leased Equipment pursuant to this Section Lessor may bid for and purchase such Leased Equipment. Except as otherwise expressly provided above, no remedy referred to in this Section is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to Lessor at law or in equity; and the exercise or beginning of exercise by Lessor of any one or more of such remedies shall not preclude the simultaneous or later exercise by Lessor of any or all such other remedies. No express or implied waiver by Lessor of any Event of Default shall in any way be, or be construed to be, a waiver of any future or subsequent Event of Default. To the extent permitted by applicable law, Lessee hereby waives any rights now or hereafter conferred by statute or otherwise which may require Lessor to sell, lease or otherwise use any Leased Equipment in mitigation of Lessor's damages as set forth in this Section or which may otherwise limit or modify any of Lessor's rights or remedies under this Section.

18. INDEMNITY:

Lessee agrees to indemnify and hold Lessor harmless against any and all claims, demands and liabilities of whatsoever nature relating to or in any way arising out of the possession, use, operation, control or disposition of the Leased Equipment and all costs, charges, damages

or expenses for royalties and/or claims and expenses of litigation, arising out of or necessitated by the assertion of any claim or demand based upon any infringement of any patent or other right by or in respect to any of the equipment; provided, however, that Lessor will make available to Lessee all of Lessor's rights under any similar indemnification from the manufacturer of the Leased Equipment. To the extent that Lessee in fact indemnifies Lessor under the indemnity provisions of this Agreement, Lessee shall be subrogated to Lessor's rights in the affected transaction and shall have the right to control litigation related to the transaction and to determine the settlement of claims therein.

19. ASSIGNMENT:

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto. Lessor reserves the right to assign and re-assign all of its rights, title and interest in and to this Agreement or the Leased Equipment or the rents due or to become due to Lessor hereunder only to a bank or other financial institution, including, but not limited to, any charitable foundation, any insurance company or corporate or individual trustee of a pension or welfare fund or any person, firm or corporation which customarily lends money on interest, all in Lessor's sole discretion and without the approval of Lessee. In the event of such assignment, it is understood that the assignee of Lessor shall succeed to all of Lessor's rights and privileges herein. Upon receipt of written notice of any such assignment, Lessee agrees to pay and deliver to the assignee, as provided in any such assignment, all rents due hereunder and all other moneys and security assigned to the assignee, without any offset, counterclaim, deduction, or defense whatsoever, and will not assert any offset, counterclaim, deductions, or defense in any proceeding brought under any such assignment or otherwise, or for any reason whatsoever seek to recover from the assignee any moneys paid to the assignee by virtue of any such assignment, and to deliver to the assignee all notices, offers and other instruments whatsoever which may be delivered by Lessee under this Agreement. In the event of such assignment, the assignee shall not be obligated to perform any duty, covenant or condition required to be

performed by Lessor under the terms of this Agreement. Lessee shall not assign this Agreement, nor shall this Agreement or any right hereunder or to the Leased Equipment inure to the benefit of any trustee in bankruptcy, receiver, creditor or trustee of Lessee or its property whether by operation of law or otherwise without the written consent of Lessor, except as otherwise provided by law. Notwithstanding the foregoing, Lessee may assign this Agreement or any of the rights and obligations hereunder with respect to any Unit to any affiliated corporation *provided that* no such assignment shall relieve Lessee from any of its obligations hereunder and any liens of Lessor or third parties shall not be impaired by such assignment.

Lessee hereby acknowledges that simultaneously with the execution of this Agreement it has consented to the assignment by Lessor of this Agreement and all rights hereunder including, without limitation, the right to receive payments from Lessee of Basic Rent, Supplemental Rent, Termination Value and Casualty Loss Value, pursuant to an assignment dated as of the date hereof. Lessee acknowledges that such assignment is made in connection with the financing by Lessor of the cost of the Leased Equipment pursuant to a Finance Agreement between Lessor and Lender dated as of the date hereof. Lessee hereby agrees that all rights, privileges and remedies including without limitation, rights of Lessor upon the occurrence of an Event of Default, shall inure to the benefit of Lender as such assignee under such assignment and Lender as such assignee shall be entitled to enforce all rights of Lessor under this Agreement in accordance with its terms.

20. **WAIVERS:**

Lessor's failure at any time to require strict performance by Lessee of any of the provisions hereof shall not waive or diminish Lessor's right thereafter to demand strict compliance therewith or with any other provision. Waiver of any default shall not waive any other default. Failure by Lessor to collect the rent reserved herein or any other sums as and when the same fall due, or to exercise its right to take possession of the Leased Equipment as herein provided, shall not waive or in any way affect Lessor's rights under this Agreement or extend the time for making said payments. None of the conditions or

provisions of this Agreement shall be held to have been waived by any act or knowledge of Lessor, its agents or employees, but only by an instrument in writing signed by an officer of Lessor and delivered to Lessee.

21. **QUIET ENJOYMENT:**

Lessor covenants that Lessee and its successors, upon paying all rents reserved hereunder and performing all of the covenants, terms and conditions on its part to be performed, may and shall peaceably and quietly have, hold, possess and enjoy the Leased Equipment for the term or terms as aforesaid and without suit, molestation or interruption by Lessor or by reason of Lessor's acts.

22. **GENERAL:**

This Agreement shall be governed by the laws of the State of New York and constitutes the entire lease agreement between the parties. No other agreement oral or written, express or implied, has been made between the parties. If any provision of this Agreement or the application thereof to any party or circumstances is held invalid or unenforceable, the remainder of this Agreement and the application of such provision to other parties or circumstances shall not be affected thereby, and to this end the provisions of this Agreement are declared severable.

IN WITNESS WHEREOF, the parties have duly executed this Agreement by their proper corporate officers thereunto duly authorized who so represent as of the date first above written.

THIRD NATIONAL BANK IN NASHVILLE

Lessor

Attest:

By *J. H. Groun*
Vice President

[SEAL]

CHICAGO, ROCK ISLAND AND PACIFIC
RAILROAD COMPANY

Lessee

Attest:

By *D. E. Rock*
Vice President
VICE CHAIRMAN

[SEAL]

SCHEDULE A

No. of Units	Manufacturer	Type	Specifications	Estimated Aggregate Cost	Car Nos.
13	Whitehead & Kales Co.	Vert-A-Pac automobile superstructures to be attached to flat cars	Manufacturer's proposal dated June 26, 1972 and accepted by Lessee's P.O. No. A-40382 dated August 10, 1972; assigned to Lessor by assignment dated as of December 1, 1972 accepted as of December 1, 1972.	\$425,000	TTV-X 802151, TTV-X 802160-TTV-X 802163, TTV-X 802175, TTV-X 802180, TTV-X 802190, TTV-X 802191, TTV-X 802195-TTV-X 802198

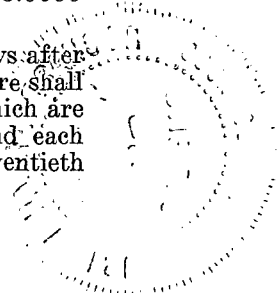
B-25

SCHEDULE B

EQUIPMENT LEASE AGREEMENT

	Rental Payment Date	Termination Factor	Casualty Factor
0.		104.4500	110.8582
1.	*	102.2650	108.8173
2.		100.0067	106.7065
3.		97.6737	104.5242
4.		92.6664	99.6711
5.		88.7845	95.9468
6.		84.7864	92.1098
7.		80.6534	88.1416
8.		75.7555	83.4122
9.		71.1451	78.9740
10.		66.4590	74.4641
11.		61.6748	69.8600
12.		56.7644	65.1338
13.		47.0548	55.6125
14.		41.9872	50.7374
15.		36.8346	45.7817
16.		31.6061	40.7545
17.		26.2695	35.6238
18.		20.8397	30.4044
19.		15.3121	25.0921
20.		-0-	15.0000

*At the Closing Date there shall be inserted here the date which is 90 days after the Closing Date (as provided in § 2 of the Finance Agreement) and there shall be inserted in respect of subsequent Rental Payment Dates the dates which are three, six and nine months after such first Rental Payment Date and each anniversary of such four dates thereafter in order to and including the twentieth Rental Payment Date.



STATE OF TENNESSEE }
COUNTY OF DAVIDSON } ss.:

On this 12th day of December, 1972 before me personally appeared H. A. Crouel, Jr., to me personally known, who being by me duly sworn, says that he is the Vice President of THIRD NATIONAL BANK IN NASHVILLE, the national banking association described in and which executed the foregoing instrument, that the seal affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

[seal]

Dorothy E. Owen
Notary Public

My commission expires: 2-14-73

STATE OF ILLINOIS }
COUNTY OF COOK } ss.:

On this 18th day of December, 1972 before me personally appeared T. E. Desch, to me personally known, who being by me duly sworn, says that he is the Vice Chairman of CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[seal]

Richard Allan Weise
Notary Public

My commission expires: December 2, 1974